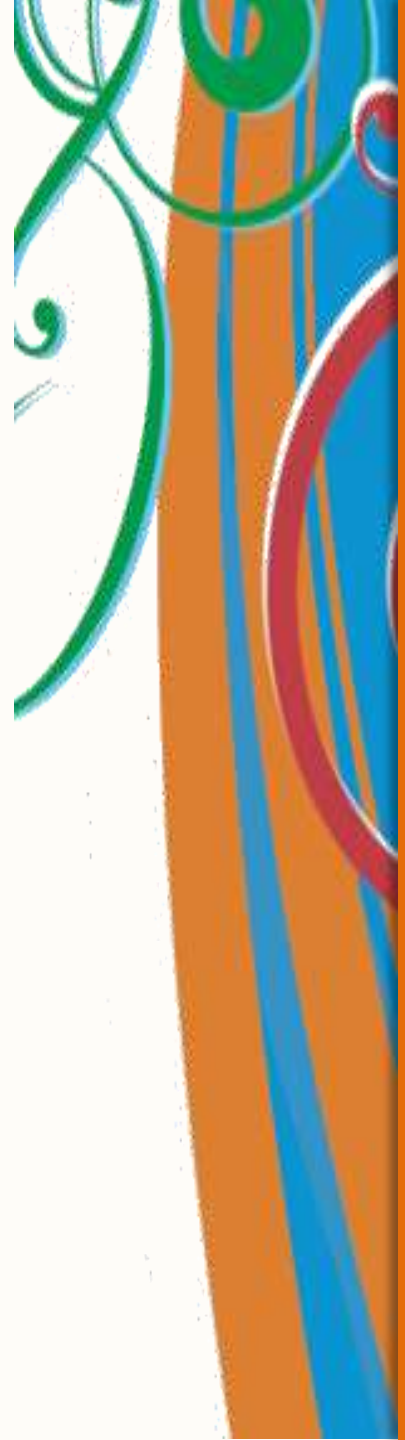


Illinois Federal Grants Academy

Jay Readey, JD, MBA
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ILLINOIS
resourcenet
A FUNDING ACCESS INITIATIVE



Acknowledgments

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The sources for the content of this workshop include

- *Winning Grants Step by Step, Second Edition*, Mim Carson (The Alliance for Nonprofit Management), 2002, John Wiley and Sons, Publisher
- Federal Grants Demystified Technical Assistance Workshop sponsored by Illinois ResourceNet and facilitated by Lauri Alpern, 2009
- Chang Lee Federal Grantwriting Workshop for Illinois ResourceNet, Sept. 2009
- In the Public Domain: Writing Effective Proposals for Government Grants, 2006, by Valerie F. Leonard
- Federal government resources, including Grants.gov, the Federal Register, U.S. Department of Agriculture and U.S. Department of Labor

Introductions

- **What is IRN?**
- **My role with Illinois ResourceNet?**
- **What goals for the day might you have?**

Workshop overview

- Intro to Federal grants
- Preparation and organization
- Needs assessment and goals
- The outline
- Writing the grant

Workshop overview, C'td

- Evaluation Measures
- Sustainability planning
- Developing your federal budget
- **Closing/Wrapup**

Assess Your Organizational Capacity And Make Appropriate Adjustments

- Board/Governance
- Strategic Planning
- Management Systems
- Financial Management Systems
- Fundraising
- Marketing
- Networking
- Human Resources
 - Leadership
 - Management
 - Employees

Building off-the-shelf content

- Proposal concept
- Population demographics
- Introduction to the organization
- Org Chart
- Program partnerships

The Proposal Concept

- More on “off the shelf” content
 - Two-page synopsis describes mission, vision
 - Problem assessments/supporting data
 - Goals and objectives
 - Strategies
 - Evaluation approaches and results
 - Budget templates
 - Board information, resumes
 - Relevant forms: 501(c)(3) status, EIN, licenses, BUDGET!
 - Financial reports and audits



Building a Timeline

- Compare deliverables with workplan organizer
- Work backwards from due date
- Discuss: critical path planning
- Is there a letter of intent due?
- Are you collecting budgets from partners?
- When do you go after letters of support?

Letters of Support

- Which government officials and agencies need to be involved?
- Format for letters of support?
- Necessary lead time?



The Outline

Review the RFP or NOFA

- The NOFA (Notice of Funding Availability)
 - Included in the Federal Register
 - Provides funding guidelines, including
 - Grant Amounts
 - Eligibility Requirements
 - Proposal Outline
 - Required Forms
 - Evaluation Criteria and Point Totals
 - Submittal Instructions

Working Outline

- Track the requirements of the NOFA
- Include all questions and sub-questions
- Can you do it all yourself?
 - Who is on your team?
 - How will the team dynamic play out?

My Outline - Sample



- **The Need in Our Community (10 points)**
- Community served and county
- Need in community and county for this Federal support
 - Demonstrate how the community can benefit from Federal assistance due to being a _____ area heavily affected by high numbers of _____ and _____.
 - Use census tract data from the 2000 census (community level!):
 - population of the community,
 - aging statistics, and
 - its unemployment rate.
 - Use local data to show
 - Relevant health, wellness, housing or aging statistics for the community
 - Compares the above with the State or county as a whole.
- Use data at the neighborhood level rather than the county level to address the need

Where do I begin?

- Needs assessment and goals
- Be able to articulate the flow of your program operations
- Craft the proposal concept
- Prepare for a “live” submission



Needs Assessment and Goals

Developing a Statement of Need

- Also referred to as the “problem statement”
- Purpose for developing the proposal’
- Beneficiaries – who, and how they will benefit
- Social and economic costs to be affected
- Nature of the problem
 - How it came to exist
 - What is currently being done about it

Needs Statement, C'td

- Remaining alternatives available when funding has been exhausted
 - What will happen to the project
 - Impending implications
- Specific manner through which problem can be solved
 - Resources needed
 - How they will be used, and to what end

8 Approaches to Documenting Needs

- Surveys
- Public Records
- Newspaper, Internet, and magazine articles
- Organizational records showing demand
- Letters of support
- Statements from relevant community officials/members
- Public meetings
- Case studies
- Keep your off-the-shelf stuff up-to-date!

Needs Statement Worksheet:

WORKSHEET 3.1B. Statement of Need Questionnaire.

Use this filled-out worksheet as an example as you complete Worksheet 3.1A.

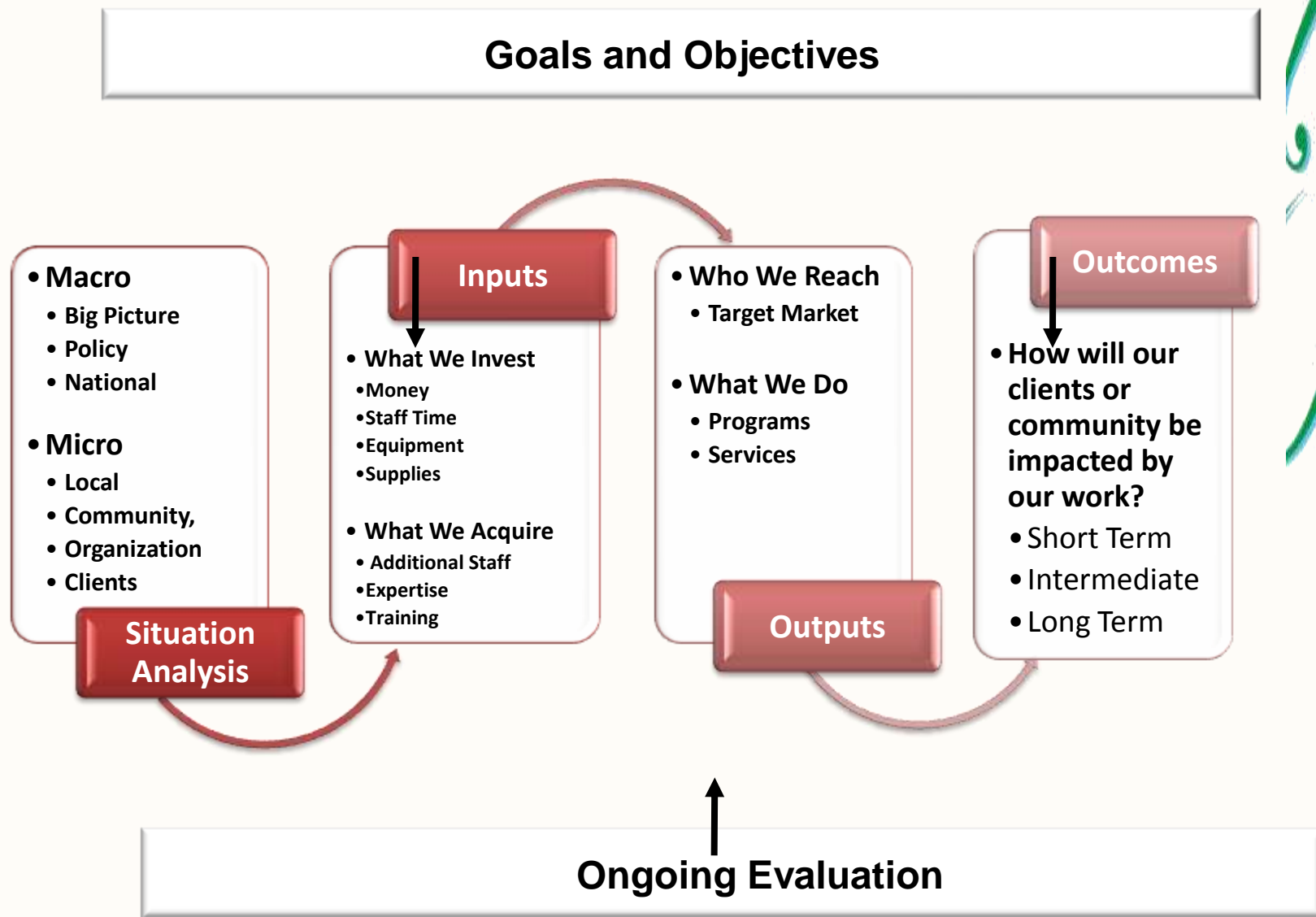
Who? Where? When?	What? Why?	Evidence of Problem	Impact If Problem Is Resolved?
<p>Who is in need? (Maybe people, animals, plants, and so on.)</p> <ul style="list-style-type: none"> • Frail homebound seniors over sixty years old, living at home, usually alone. <p>Where are they?</p> <ul style="list-style-type: none"> • Throughout Main County. <p>When is the need evident?</p> <ul style="list-style-type: none"> • When illness or institutionalization occurs due to an absence of social services. 	<p>What is the need?</p> <ul style="list-style-type: none"> • No comprehensive assessment of nutritional and social service needs happens on a regular basis for homebound elders. They may not be getting the services that best support their staying in their homes. • The lack of need identification and referral for services results in deteriorating health for frail elders and frequently results in costly institutionalization that could be prevented. <p>Why does this need occur?</p> <ul style="list-style-type: none"> • No organization in the Consortium has social workers working with nutritionists to assess the health and social services needs of the homebound elderly. • Funding is not available at each organization to hire social workers. 	<p>What evidence do you have to support your claim?</p> <ul style="list-style-type: none"> • More than 13,000 individuals in the county over age sixty live below the poverty line. • Social workers are not available to visit the homebound elderly. • Many Meals on Wheels recipients must leave their homes because of the lack of coordinated care. 	<p>What are the consequences of meeting the need?</p> <ul style="list-style-type: none"> • Frail elders will be able to remain in their home longer. • Frail elders will remain healthier with good coordination between social services and nutrition programs. • Expensive institutionalization will be avoided through cost-effective preventive services. <p>How is the need linked to your organization?</p> <ul style="list-style-type: none"> • The Meals Consortium mission is to find cost-effective ways to serve the county's frail elders. The social services program will provide a coordinated system of social services and nutritional care to serve the target population.

Winning Grants Step by Step, Second Edition, by the Alliance for Nonprofit Management and Mimi Carlson. Copyright 2002 by John Wiley & Sons, Inc.

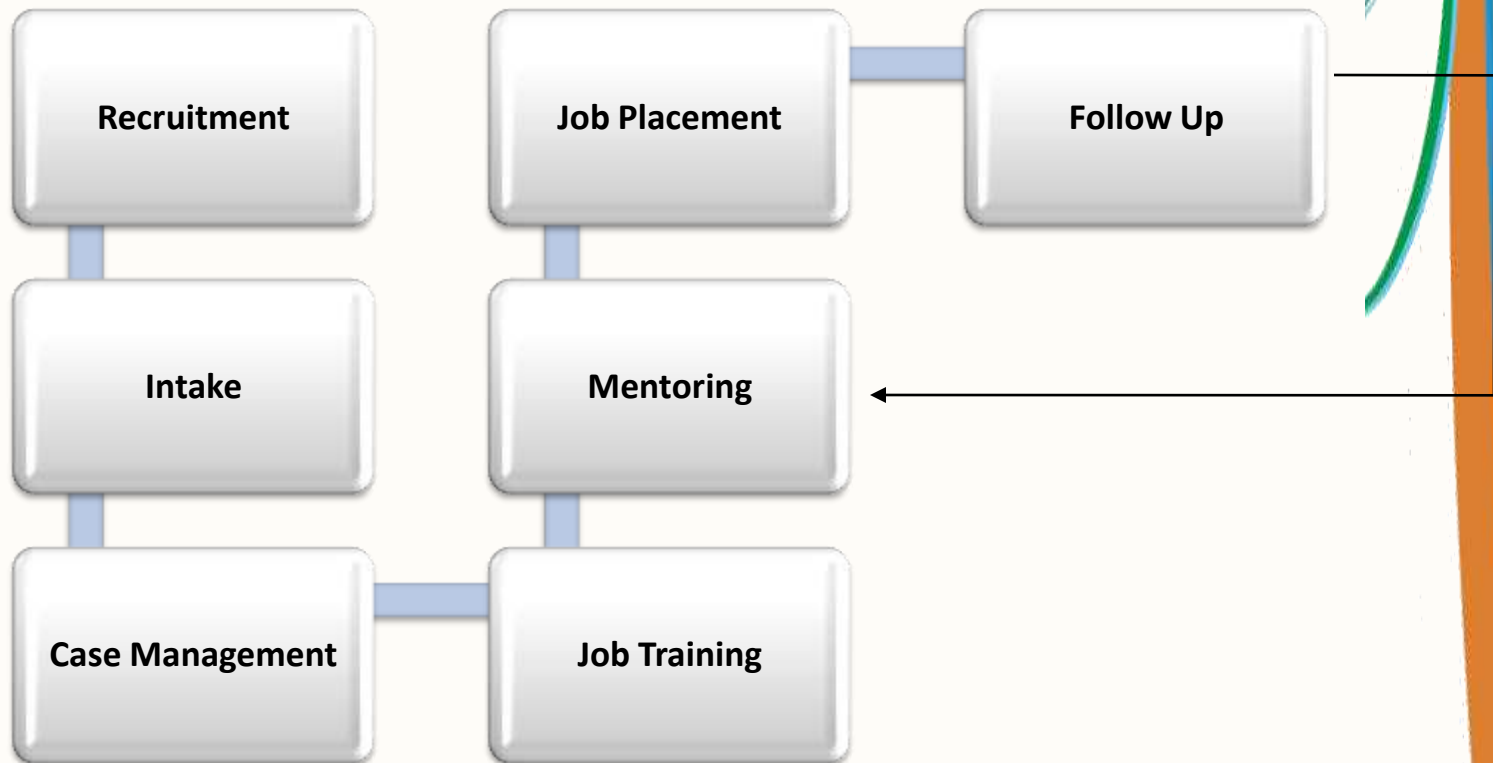
Logic Modeling

- Where Do I Begin? Choose from one of several templates:
- From the Goals and Objectives →
- Develop the inputs →
- Answer who-what-where-when-why-how
- Identify outcomes →
- Measure these against benchmark indicators
- Develop continuous evaluation mechanisms while you plan

Sample Strong Program Logic Model



Be Able to Articulate the Flow of Your Program Operations*



*Adapted from U.S. Department of Labor
Ready4Work Program Model

Goals and Objectives

- Definitions

- Goal: Broad-based statement of the ultimate result of the change being undertaken
 - Example: the homebound elderly in Main County will live with dignity and independence in their own homes
- Outcome Objectives: Measurable, time-specific result that the organization expects to accomplish as part of the grant
 - Example: There will be a 5% decrease in the number of frail older adults going into convalescent homes during the first year of the social services referral program (This demonstrates and impact or result)
- Process Objective: Quantifies a method for achieving the goal
 - Example: There will be an increase in social services referrals and follow-up for 75% of the individuals served by the Meals Consortium during 2000-2001 (This demonstrates a process to achieve the impact)

[i] *Winning Grants Step by Step, Second Edition*, Mim Carson (The Alliance for Nonprofit Management), 2002, John Wiley and Sons, Publisher

Goals and Objectives

- Goals and objectives should be related to the organization's need statement, and be guided by the overall mission
- The best objectives are stated in terms of outcomes and not methods (day to day activities)

Difference Between Goals and Objectives

- Flow: Needs → Goals → Objectives → Activities/Methods
- Goals are:
 - Long-Range
 - Broad
 - Abstract (“People will age with dignity in their homes”)
 - → Compelling responses to the needs presented

Objectives Are...

- Specific
 - Concrete
 - Observable
 - Measurable
-
- Ex: “Kane County will see a 75% increase in registrations for Medicare prescription drug benefits in the next 6 months”

Maintain the flow!

- Remember that stated objectives will likely be used to evaluate program progress in the future
- Objectives should lead clearly to program activities that can realize the objectives

Two Types of Objectives

- Process
- Any objective describing something a staff member or volunteer is going to *do*
- Outcome
- Any objective describing a *change* in behavior, health status, skills, or awareness

Process Objectives

- To fulfill the goals, who needs to do what, with whom, and when?
- Ex: to develop, to implement, to establish, to conduct
- Focus on: *activities*, target audience, others involved
- Ex: In 2010, project staff will connect at least 85 elderly individuals with home health services

Outcome Objectives

- What effect do we hope the program will have? – or –
- What do we hope will be the results of the project?
- Ex: to increase, to decrease, to improve
- Focus on: *changes*, to attitudes, knowledge, feelings, or behavior

Links Between Process and Outcomes

- **Goal:**
- Example: To increase coping skills of aged individuals who have undergone emotional distress
- **Objectives**
- **Process:** present two workshops for 50 individuals in July
- **Outcome:** Increase performance on self-administered test in coping strategies by 50% average as a result of the workshops

Methods

- Describe how the organization will bring about the results stated in its objectives
 - Consistent with organization's goals and objectives and needs statement
 - Identify who will be served, and how they were selected
 - Indicate what facilities and capital equipment will be available
 - Provide rationale for selecting participants (if applicable)

Methods

- Include rationale for choosing one methodology over other alternatives
 - Cite models used, if applicable
 - Indicate how methodology is similar or different from other models used, if applicable
 - Cite research, expert opinion, organization's past experience
- Prepare implementation plan, including
 - Timeline (for each activity as well as overall project)
 - Major Tasks/Activities
 - Assignments
 - Resources Needed



Write it.

Tell a story

- Give a visual picture
- Use real quotes from beneficiaries of your service
- Use graphs, charts, tables to summarize complex information
- Don't get too *fancy*
- How well do you know the field?
- What is the funding agency's *point of view* on the topic at hand?



The Proposal

A “live” proposal

- Staying Organized
 - Use the planning team
 - Who is your planning team?
 - Why?
- Write the core sections first
- Keep track of good ideas throughout the writing process

Point of View

- What is the funding agency's *point of view* on the topic at hand?
- Federal grants tend to focus on the notion of 'key concepts'
- Key concepts are evident in:
 - Words
 - Phrases
 - Values



Evaluation

Conduct Ongoing Evaluations

- Develop Evaluation Plan as You Develop Program
 - Align program outcomes with benchmarks commonly used in the industry and by funding agencies
 - Identify indicators that may be easily measured, and over which you have influence or control
 - Design intake tools and other program documents to track data that may be used in outcome evaluations
- Utilize Results for Ongoing Improvements

Writing the Evaluation Section

- Communicate how the evaluation determines programmatic or project effectiveness, efficiency or impact
- Show that evaluation planning is taking place during the writing of the proposal or program design, regardless of whether it is required by the agency
 - Strengthens the proposal in the eyes of the agency
 - Increases the likelihood of developing programs that are effective and responsive to the needs of the community

Writing the Evaluation Section

- Qualitative Methods
 - Involve direct contact with people involved in a program or service, such as clients, staff, or board members.
 - Data collection methods include interviews, focus groups, direct or field observation and document review.
 - Most appropriately used to
 - “Get Behind the Numbers”
 - Understand feelings or opinions about a program or service
 - Gain multiple perspectives
 - Understand how patterns and relationships unfold

Qualitative Evaluation Tools

- Testimonials
 - Anecdotes
 - Success stories
 - Observations
-
- These are subject to interpretation by the person collecting the data

Writing the Evaluation Section

- Quantitative Methods
 - Translate experience into units that may be counted, measured and analyzed numerically (i.e., financial data, census statistics, number of clients served, number of housing units developed, etc.)
 - Most appropriately used to
 - Determine cause and effect
 - Establish baseline knowledge and determine knowledge gained

Quantitative Evaluation Tools

- Pre- and post-testing
 - Surveys and questionnaires
 - Interviews
 - Activity logs
 - Case reports
 - Performance reports
-
- These are considered objective measures



Plan for Sustainability

Sustainability

- Sustainability refers to the organization's demonstrated ability to maintain and carry out its mission over the long term
- A proposal that indicates a lack of financial support after the grant period is not likely to be funded
- What other sources of revenue are available for the project?

Sustainability – Future Sources of Revenue

- Future funding
 - Renewal of existing grants, future state initiatives
 - Fees for service
 - Annual campaigns
 - Sales of items or activities
- Business Planning (where applicable)
 - Indicates feasibility of products and services
- Strategic Planning (where applicable)
 - Positions organization to be proactive in dealing with changes in its environment



Developing the Federal Budget

The Grant Budget

- Follow the instructions
- What can I include in my budget?
 - Budget MUST follow the program
 - Allowable Federal costs (this is technical)
 - OMB Circular A-122 – Allowable costs for nonprofits
- Is there a cost-sharing (i.e. match) requirement?
- Most grants require a budget narrative
- Check, re-check and triple check the math

Dialogue Between Program Staff and Budgeting Personnel

- What costs relate to the proposed activities?
- Does the program proposal track the requirements of the grant application?
- Later: does the budget narrative match the program proposal? (come back and check)
- Do other sources pay some of the Direct Costs for the program activities? (more on costs in a moment)

Cost Principles

Cost Principles

- Total Costs = allowable direct costs + allowable indirect costs – any applicable credits
 - Total costs = allowable Federal reimbursement
- Direct Costs: costs specifically relating to program activities for purposes of the grant
- Question: What would be some examples of Direct Costs?
- Question: What might credits be?

Allowability of Costs

Costs must be:

- Reasonable (to the performance of the award)
- Conforming (to limits in the award)
- Consistent (with non-Federal activities of the organization)
- Consistent (treated the same over time and across program categories)
- Determined in accordance with GAAP
- Not included in other Federal awards (no double-dipping)
- Adequately documented

Reasonable Costs

Costs are reasonable if they are...

- Ordinary and Necessary (for the organization or performance of the award)
- Bound by sound and accepted business practices (e.g. arm's length negotiation)
- Incurred by persons acting with prudence in the circumstances
- Not Significant Deviations from established practices
- Question: what would be some unreasonable costs?

Allowability of Costs

- Question: other examples of unallowable costs?
- What would make a cost inconsistent with other non-federal programs?

Unallowable Costs:

Which of the following should be allowed for a federal grant?

- Advertising and Public Relations
- Alcoholic beverages
- Bad debts
- Contingency reserves for uncertain events
- Contributions to others
- Entertainment costs
- Capital expenditures
- Fines and penalties
- Housing as fringe benefits
- Interest expenses
- Lobbying
- Social and country club memberships
- Costs of corporate organizing and reorganizing

Indirect Costs

- Indirect costs are “those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective
- Two broad categories:
 - Facilities
 - Administration

Indirect Costs: Facilities

Facilities costs include:

- Depreciation and use allowances on buildings, equipment and capital improvements
- Interest on debt associated with such capital items, and
- Operations and maintenance expenses

Indirect Costs: Administration

Administration costs include:

- General administration and general expenses such as the director's office
- Accounting, finance, general counsel, IT support
- Administrative personnel & clerical staff
- Library expenses, office supplies, postage, local telephone

Indirect Cost Rate: Simple Calculation

- Determine portion of organizational expenses attributable to Management & General (M&G)
 - → Form 990 M&G expense reporting for NPOs
- Fractional ratio for indirect costs:

M&G Total Expense

Total of Program Expenses + Fundraising Expenses

- Numerator is called the “base”, and there are several variants, chosen by the organization

Matching and Cost Sharing

- Many grants contain requirements for a non-Federal share
- Section 23 of OMB Circular A-110 gives details
- Question: What are non-Federal sources?
- Specific requirements may obtain for the cash match
 - Accounting for the non-Federal share
- Third party, in-kind contributions and how to value them

Matching and Cost Sharing

- Contributed services and property count:
 - As valued on the books at donation, or
 - At current fair market value
- Volunteer services count if:
 - The work would otherwise incur a cost to the organization, valued at prevailing market rates
 - Ex.: legal, consulting, IT, plumbing
- Loaned executive valued at regular rate of pay
- Donated property, equipment and buildings shall not be valued at more than FMV at time of donation

Matching and Cost Sharing

- Requirements for supporting records:
 - Cash match must be accounted for separately in fund accounting system
 - Volunteer Services shall be documented and, if feasible, supported by the same accounting principles that an organization uses for its employees
 - Basis for determining value of donated goods, services, equipment and property must be documented

Allowable Federal Rates

- For some agencies, or some grants, published rates may limit the amount that will be reimbursed by the Federal Government
- Example: Department of Education limits indirect rates to 8% of a MTDC base
- Example: travel rates can be found at GSA.gov, click on “Per Diem Rates”
- Example: Consultant Fees per day
- Most other costs are allowable or not based on principles of reasonableness, prudence, and consistency (see “Allowability of Costs”)

Budget Narrative Principles

- Describe in detail how grant funds will be allocated and spent in each applicable category
- Show:
 - Basis for computation
 - Total amount of costs for each category
 - If applicable, further explanation of how requested costs were determined
- Also describe all non-Federal funds that will be used to meet a cost-sharing or matching requirement
 - Describe sources, contributions by budget category, and how value was determined for in-kind matches

Sample Budget Narrative Principles

- Personnel Salaries
 - List name and title by position
 - Salary rate x % of time devoted to grant project
- Taxes/benefits
 - List name and title
 - Compute taxes and benefits by a percentage, with description (again observing time devoted to project)
- Travel
 - Itemize travel expenses by purpose
 - Observe Federal per diem rates

Sample Budget Narrative Principles

- Training
 - Show the basis for computation, e.g. a table:
 - Purpose of training, location, cost per unit, and computation
- Expense Items: Printing/Copying, Supplies
 - List by type; describe sample costs and list computations to arrive at total costs
- Equipment
 - List and describe non-expendable items (e.g. computers) to be purchased with grant funds
 - Items over \$1500 and copiers are not allowed

Sample Budget Narrative Principles

- Rent and Utilities
 - Include rent (are utilities included? CAM?)
 - Telephone and Internet service
 - Show and describe computations of totals
- Other
 - List by type, with calculations; example:

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Liability Insurance	\$1,000/year (total)/4.0 FTEs = \$250 for 1.0 FTE x 50% grant allocation	\$125
National Association Membership	\$100/year x 100%	\$100
Total		\$225



Thank you!

Questions?

Jay_readey@yahoo.com